



House of Representatives

General Assembly

File No. 315

February Session, 2018

Substitute House Bill No. 5340

House of Representatives, April 9, 2018

The Committee on Banking reported through REP. LESSER of the 100th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING A STUDY OF EDUCATION SAVINGS ACCOUNTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) The Department of Banking, in
2 consultation with the Department of Revenue Services and the
3 Department of Education, shall conduct a study concerning education
4 savings accounts, as described in Section 530 of the Internal Revenue
5 Code. Such study shall examine (1) the feasibility of authorizing such
6 education savings accounts in the state, and (2) the potential effects on
7 state income tax revenue, state and local education budgets, and school
8 district enrollment. Not later than January 1, 2019, the Department of
9 Banking shall submit a report on its findings and recommendations to
10 the joint standing committees of the General Assembly having
11 cognizance of matters relating to education, finance and banking, in
12 accordance with the provisions of section 11-4a of the general statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
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ED *Joint Favorable Subst. C/R*

BA

BA *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Banking Dept.	GF - Cost	up to \$55,000	None

Note: GF=General Fund

Municipal Impact: None**Explanation**

The bill requires the Department of Banking (DOB), in consultation with Departments of Education (DOE) and Revenue Services (DRS), to study education savings accounts. It is anticipated that DOB would require a consultant to complete the study at a cost of up to \$55,000 and that there would be no cost to DOE and DRS to consult on the study.

The Out Years

There are no ongoing costs, as DOB must report the study's results to the Education, Finance, and Banking committees by January 1, 2019.

OLR Bill Analysis

sHB 5340

AN ACT CONCERNING A STUDY OF EDUCATION SAVINGS ACCOUNTS.

SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute Change of Reference - BA
Yea 36 Nay 0 (03/14/2018)

Banking Committee

Joint Favorable
Yea 19 Nay 0 (03/20/2018)